Filed 01/03/23

Page 1 of 11 Page ID

Case 8:23-cv-00008-DOC-DFM Document 1

5

6

7

10

11

12 13

14

15

16

17 18

19

20 21

22

23

24

26

25

27 28

Plaintiff, Oceanside Health Products LLC ("Oceanside"), by and through its counsel of record, for its Complaint against DVIR DERI LLC d/b/a Prime – Global ("Prime") and Does 1 through 10, inclusive, upon knowledge as to itself, and upon information and belief as to all other matters, alleges as follows:

#### JURISDICTION AND VENUE

- 1. This Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C. §§ 1331 and 1338, 28 U.S.C. § 1367. Oceanside's federal claims are predicated on 15 U.S.C. § 1114 and 15 U.S.C. § 1125(a), and its claims arising under California state law are substantially related such that they form part of the same case or controversy under Article III of the United States Constitution.
- Venue is proper in this judicial district pursuant to 28 U.S.C. § 2. 1391(b)(2)-(3) as Prime is subject to personal jurisdiction in this Judicial District and a substantial part of the events or omissions giving rise to the claims that occurred in this District.
- 3. This Court has specific personal jurisdiction over Prime because Prime has expressly aimed its tortious activities towards the State of California, purposefully availed itself of the privilege of doing business in California, and engaged in significant contacts with California, including significant and regular sales, shipments, and distribution of products bearing infringing trademarks in California and to California residents.

#### THE PARTIES

- Oceanside is a limited liability company existing under the laws of 4. California, with its office located in Orange, California.
- 5. On information and belief, Prime is a limited liability company existing under the laws of New Jersey.
- 6. The true names and capacities, whether individual, corporate, associate, or otherwise, of the remaining defendants, sued as Does 1 through 10, inclusive, are unknown to Oceanside, which therefore sues said defendants by such fictitious

names and capacities of those defendants when ascertained.

#### FACTUAL BACKGROUND

- 7. Oceanside is a California limited liability company that specializes in e-commerce brand enforcement, and among other things, distributes products from Detoxify, LLC ("Detoxify").
- 8. Detoxify is a company that researches, develops, designs, manufactures, markets and sells healthy detoxification products.
- 9. To promote and protect the Detoxify brand, Detoxify has registered numerous trademarks with the United States Patent and Trademark Office, including but not limited to Registration #1898539 (the "Detoxify Mark") and has been using the Detoxify Mark in interstate commerce since as early as March 21, 1995. Since that time, Detoxify has widely publicized its business of selling Detoxify products in its advertisements, websites, and other promotional material, including Detoxify products bearing the Detoxify Mark.
- 10. Oceanside distributes Detoxify products bearing the Detoxify Mark in connection with its exclusive right to sell Detoxify products on Amazon.com's U.S. marketplace.
- 11. Oceanside has an exclusive distribution agreement with Detoxify to ensure that products sold on Amazon.com's U.S. marketplace are sold solely through authorized distribution channels.
- 12. On information and belief, Prime illegally sells products bearing the Detoxify Mark on Amazon.
- 13. Neither Detoxify nor Oceanside have approved Prime to sell Detoxify products on Amazon.

- 14. Prime's sales on Amazon violate Oceanside's satisfaction guarantee and warranty, which protect against certain defects and offer a 100% Satisfaction Guarantee to consumers for refunds and replacements when Detoxify products are purchased from an authorized reseller. In addition, Prime's sales on Amazon do not come with Detoxify's sticker, which is utilized by Detoxify and Oceanside and a symbol of authentication.
- 15. The satisfaction guarantee, warranty and sticker of authentication are not available for products bearing the Detoxify Mark that are sold by unauthorized resellers, and such satisfaction guarantee, warranty and sticker of authentication are key components of genuine Detoxify products.
- 16. Prime is infringing on the Detoxify Mark by listing, advertising and selling products on Amazon bearing the Detoxify Mark that are not subject to, do not abide by, and interfere with Detoxify's and Oceanside's quality controls and customer service requirements.

#### FIRST CLAIM

# INTENTIONAL INTERFERENCE WITH CONTRACTUAL RELATIONS (Against DVIR DERI LLC d/b/a Prime – Global and Does 1-10)

- 17. Oceanside hereby incorporates by reference the allegations contained in paragraphs 1 through 16, inclusive, of this Complaint as if set forth in full herein.
- 18. Oceanside has entered into a valid and subsisting contract with Detoxify for the exclusive distribution of Detoxify products on Amazon.com's U.S. marketplace.
- 19. Prime is aware of Oceanside's contract with Detoxify for the exclusive distribution of Detoxify products sold on Amazon.com's U.S. marketplace through solely authorized distribution channels.
- 20. On information and belief, Prime's acts including, but not limited to, listing, advertising and selling products on Amazon.com's U.S. marketplace bearing the Detoxify Mark has been designed to disrupt Oceanside's contract with Detoxify.

- 1 | 2 |
- 34
- 5
- 67

9

## 1011

12

13

15

14

17

18

16

19

21

20

2223

2425

26

27

28

- 21. Prime's actions as described herein have caused a disruption in Oceanside's contractual relationship with Detoxify.
- 22. But for Prime's tortious conduct and interference, Oceanside's contract with Detoxify would have been fully performed without breach or disruption.
- 23. Oceanside has suffered damages in an amount to be proven at trial, but in no event less than the jurisdictional minimum for this Court.

#### **SECOND CLAIM**

#### TRADEMARK INFRINGEMENT

15 U.S.C. §§ 1114, 1125(a)(1)(A)

#### (Against DVIR DERI LLC d/b/a Prime – Global and Does 1-10)

- 24. Oceanside hereby incorporates by reference the allegations contained in paragraphs 1 through 23, inclusive, of this Complaint as if set forth in full herein.
  - 25. Detoxify is the owner of the Detoxify Mark.
- 26. The Detoxify Mark is registered with the United States Patent and Trademark Office, and such registration is valid and incontestable pursuant to 15 U.S.C. § 1065.
- 27. The Detoxify Mark is a valid and subsisting trademark in full force and effect.
- 28. Oceanside and Detoxify entered into a Limited Power of Attorney to Enforce Product Distribution and Trademarks of Detoxify, LLC, whereby Detoxify assigned its rights to Oceanside to, among other things, initiate legal action on Detoxify's behalf against any sellers who wrongfully divert Detoxify's products and/or infringe Detoxify's intellectual property rights covered by the exclusive distribution agreement between Oceanside and Detoxify. A true and correct copy of the Limited Power of Attorney to Enforce Product Distribution and Trademarks of Detoxify, LLC is attached hereto as **Exhibit A**.

- 29. Prime is listing, advertising and selling products on the Amazon.com U.S. marketplace bearing the Detoxify Mark, including but not limited to approximately 1604 units of Detoxify products under the following listings:
  - i. Detoxify Mega Clean Herbal Cleanse Tropical 32 oz –
     Professionally Formulated Herbal Detox Drink Enhanced with Milk
     Thistle, Ginseng Root & Guarana Seed Plus Sticker
  - Detoxify Mega Clean Herbal Cleanse Tropical Flavor 32 oz –
     Professionally Formulated Herbal Detox Drink Enhanced with Milk
     Thistle Extract, Ginseng Root Extract & Guarana Seed Extract
  - iii. Detoxify Xxtra Clean Herbal Tropical Fruit Flavor 20 oz –
     Professionally Formulated Extra Strength Herbal Detox Drink –
     Enhanced with Ginseng Extract & Milk Thistle Extract Plus Sticker
  - iv. Detoxify Mega Clean NT Herbal Cleanse Tropical 32 oz –
     Professionally Formulated Herbal Detox Drink Enhanced with
     MetaBoost Eliminating Need for PreCleanse Plus Sticker
  - v. Detoxify Ever Clean Cleansing Program Honey Tea Flavor (5) x
     4oz bottles | Professionally Formulated 5-Day Longer Term Cleansing
     Solution | Enhanced With Green Tea, Vitamins & Minerals
  - vi. Detoxify Green Clean Herbal Cleanse Honey Tea Flavor (2) x 4 oz Bottles Herbal Detox Drink Burdock Root Extract & Green Tea Metaboost Plus Sticker
  - vii. Detoxify Mighty Clean Herbal Cleanse Tropical (3) x 8 oz Bottles Formulated Herbal Cleanse 4 Factor Full Cleansing System Plus Sticker!
- 30. Prime unlawfully, willfully, and knowingly used and continues to use the Detoxify Mark in interstate commerce for purposes of selling products bearing the Detoxify Mark on the Amazon.com U.S. marketplace without Oceanside's or Detoxify's consent.

- 31. The products sold online by Prime bearing the Detoxify Mark are not authorized for sale by Oceanside or Detoxify.
- 32. The products sold on the Amazon.com U.S. marketplace by Prime bearing the Detoxify Mark are not genuine Detoxify products and are materially different than genuine Detoxify products.
- 33. The products sold on the Amazon.com U.S. marketplace by Prime bearing the Detoxify Mark do not come with a satisfaction guarantee and warranty, and are not subject to, do not abide by, and interfere with quality controls and customer service requirements.
- 34. In addition, the products sold online by Prime bearing the Detoxify Mark do not come with Detoxify's sticker, which is utilized by Detoxify and Oceanside and a symbol of authentication.
- 35. As a result, Prime's unauthorized sale of products bearing the Detoxify Mark is likely to cause confusion, cause mistake, or deceive consumers.
- 36. As a proximate result of Prime's misconduct, Oceanside and Detoxify have suffered and continues to suffer immediate and irreparable harm. Oceanside and Detoxify have also suffered and continue to suffer damages, including but not limited to loss of business, goodwill, reputation, and profits in an amount to be proven at trial.
- 37. Oceanside and Detoxify are entitled to recover damages caused by Prime's infringement of the Detoxify Mark and disgorge Prime's profits from its willfully infringing sales and unjust enrichment.
- 38. Oceanside and Detoxify are entitled to injunctive relief under 15 U.S.C. § 1116, because they have no adequate remedy at law for Prime's infringement, and unless Prime is permanently enjoined, Oceanside and Detoxify will suffer irreparable harm.

Oceanside and Detoxify are entitled to enhanced damages and attorney

•
2
_
3

1

fees under 15 U.S.C. § 1117(a) as this is an exceptional case, because Prime

39.

willfully, intentionally, and maliciously infringed on the Detoxify Mark in bad faith.

4

## THIRD CLAIM COMMON LAW TRADEMARK INFRINGEMENT

6

5

### (Against DVIR DERI LLC d/b/a Prime – Global and Does 1-10)

7

40. Oceanside hereby incorporates by reference the allegations contained in paragraphs 1 through 39, inclusive, of this Complaint as if set forth in full herein.

9

41. Detoxify is the owner of Registration the Detoxify Mark.

10 11 42. The Detoxify Mark is registered with the United States Patent and Trademark Office, and such registration is valid and incontestable pursuant to 15 U.S.C. § 1065.

1213

43. The Detoxify Mark is a valid and subsisting trademark in full force and effect.

1415

44. Oceanside and Detoxify entered into a Limited Power of Attorney to Enforce Product Distribution and Trademarks of Detoxify, LLC, whereby Detoxify assigned its rights to Oceanside to, among other things, initiate legal action on

17 18

Detoxify's behalf against any sellers who wrongfully divert Detoxify's products

and/or infringe Detoxify's intellectual property rights covered by the exclusive

Detoxify, LLC is attached hereto as **Exhibit A**.

19

20 distribution agreement between Oceanside and Detoxify. A true and correct copy of

21

the Limited Power of Attorney to Enforce Product Distribution and Trademarks of

22

23

24

45. Prime is listing, advertising and selling products on the Amazon.com U.S. marketplace bearing the Detoxify Mark, including but not limited to approximately 1604 units of Detoxify products under the following listings:

25

26

i. Detoxify Mega Clean Herbal Cleanse – Tropical – 32 oz –
 Professionally Formulated Herbal Detox Drink – Enhanced with Milk
 Thistle, Ginseng Root & Guarana Seed – Plus Sticker

2728

different than genuine Detoxify products.

- 49. The products sold on the Amazon.com U.S. marketplace by Prime bearing the Detoxify Mark do not come with a satisfaction guarantee and warranty, and are not subject to, do not abide by, and interfere with quality controls and customer service requirements.
- 50. In addition, the products sold online by Prime bearing the Detoxify Mark do not come with Detoxify's sticker, which is utilized by Detoxify and Oceanside and a symbol of authentication.
- 51. As a result, Prime's unauthorized sale of products bearing the Detoxify Mark is likely to cause confusion, cause mistake, or deceive consumers.
- 52. As a proximate result of Prime's misconduct, Oceanside and Detoxify have suffered and continue to suffer immediate and irreparable harm. Oceanside and Detoxify have also suffered and continue to suffer damages, including but not limited to loss of business, goodwill, reputation, and profits in an amount to be proven at trial.
- 53. Prime's actions constitute trademark infringement under the common law of the State of California and entitle Oceanside and Detoxify to injunctive relief and further entitle Oceanside and Detoxify to recover damages caused by Prime's infringement of the Detoxify Mark, and to disgorgement of Prime's profits from its willfully infringing sales and unjust enrichment.

#### PRAYER FOR RELIEF

WHEREFORE, Oceanside prays that judgment be entered in this action against Prime as follows:

- 1. For general and compensatory damages in a sum according to proof at the time of trial;
- 2. For general and special damages in a sum according to proof at the time of trial;
- 3. For restitution and/or disgorgement of all unlawful or illegal profits received by Prime;

Case	3:23-cv-00008-DOC-DFM Document 1 Filed 01/03/23 Page 11 of 11 Page ID #:11
1 2 3 4 5 6 7	<ol> <li>For injunctive relief prohibiting Prime from unfair competition as alleged in this Complaint;</li> <li>For interest and prejudgment interest at the maximum legal rate;</li> <li>For all costs of suit incurred herein;</li> <li>For attorney's fees as permitted by law, equity or contract; and</li> <li>For such other and further relief this Court deems just and proper.</li> </ol>
8	DATED: January 3, 2023
9	FINLAYSON TOFFER ROOSEVELT & LILLY LLP
10 11	By /s/ T. Kevin Roosevelt
12	T. Kevin Roosevelt
13	Attorneys for Plaintiff OCEANSIDE HEALTH PRODUCTS LLC
14	OCEANSIDE HEALTH PRODUCTS LLC
15	
16	DEMAND FOR JURY TRIAL
17	Plaintiff, Oceanside Health Products hereby demands a jury trial as provided
18	by Rule 38(a) of the Federal Rules of Civil Procedure.
19	
20	DATED: January 3, 2023
21	FINLAYSON TOFFER ROOSEVELT & LILLY LLP
22	
23	By /s/ T. Kevin Roosevelt
24	T. Kevin Roosevelt
25	Attorneys for Plaintiff
26	OCEANSIDE HEALTH PRODUCTS LLC
27	
28	
	10

COMPLAINT